



**LARGE BANK**

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## **Public Disclosure**

June 3, 2002

### **Community Reinvestment Act Performance Evaluation**

**The Park National Bank  
Charter Number: 9179**

**50 North Third Street  
Newark, OH 43058**

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**NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.**

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# Overall CRA Rating

**Institution's CRA Rating:** This institution is rated **Satisfactory**.

The following table indicates the performance level of **The Park National Bank (PNB)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	The Park National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory	X		X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

\* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- The geographic distribution of PNB's home mortgage loans and small loans to businesses and farms was good in the full scope Assessment Area (AA).
- The borrower distribution of PNB's home mortgage loans was excellent and of small loans to businesses and farms was adequate in the full scope AA.
- During the evaluation period, lending levels showed excellent responsiveness by PNB to the credit needs of its full scope AA.
- A substantial majority of the home mortgage loans and small loans to businesses and farms were originated within PNB's AAs.
- The bank's level of community development lending was good.
- The bank had an excellent level of qualified community development investments.
- The bank's service delivery systems were accessible to geographies and individuals of different income levels in the AA. Hours and services did not vary in a way that inconvenienced the AA, in particular low- and moderate-income geographies or individuals.

## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending:** The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

**Block Numbering Area (BNA):** A statistical subdivision of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. A BNA does not cross county lines.

**Census Tract (CT):** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**Community Development:** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

**Community Reinvestment Act (CRA):** The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**Consumer Loan(s):** A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also

include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male household and no wife present) or 'female householder' (a family with a female householder and no husband present).

**Full Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

**Geography:** A census tract or a block numbering area delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

**Home Mortgage Loans:** Such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes loans for multifamily (five or more families) dwellings, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

**Low-Income:** Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

**Metropolitan Area (MA):** Any primary metropolitan area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

**Middle-Income:** Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

**Moderate-Income:** Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

**Multifamily:** Refers to a residential structure that contains five or more units.

**Other Products:** Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

**Owner-Occupied Units:** Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

**Qualified Investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

**Rated Area:** A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

**Tier One Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income:** Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.

## Description of Institution

The Park National Bank (PNB) is an intrastate bank that is based in Newark, Ohio. As of December 31, 2001, PNB's total assets were \$1.4 billion. The bank operates primarily in two central Ohio counties, Licking and Fairfield. PNB also has a branch in the cities of Columbus, Cincinnati and Dayton.

PNB is a wholly owned subsidiary of Park National Corporation (PNC), a multi-bank holding company based in Newark, Ohio. PNC also owns seven other banks that operate in central Ohio: Century National Bank, Zanesville; The Citizens National Bank, Urbana; First-Knox National Bank, Mt. Vernon; The Richland Trust Company, Mansfield; Second National Bank, Greenville; Security National Bank, Springfield; and United Bank, N.A., Bucyrus. Combined total assets for PNC as of December 31, 2001, were \$4.6 billion. PNC also administers The Park National Corporation Foundation. This foundation distributes charitable grants and donations to various organizations. PNC also makes investments, which it allocates on a pro rata basis to its affiliate banks. The Community Development (CD) investments allocated to PNB by PNC were considered in this evaluation of PNB's CRA performance.

A full range of credit products, depository accounts, trust services, and retail non-deposit investment services are offered throughout the bank's 28 branches.

PNB has a well-balanced loan portfolio providing credit services to commercial, real estate, and consumer borrowers. At December 31, 2001, PNB's loan portfolio was \$885 million, or 63 percent of total assets. The bank's loan-to-deposit ratio was 89.5 percent. The bank's loan portfolio was primarily comprised of real estate, commercial, and consumer loans. Loans secured by commercial real estate were 28 percent of gross loans. Mortgage loans secured by 1 to 4 family residential properties equaled 25 percent, consumer loans 23 percent, commercial purpose loans 16 percent and other purpose loans eight percent.

As of December 31, 2001, the bank's Tier 1 capital was \$83 million. Based on the bank's financial condition, size, product offerings, and branch/ATM configuration, there were no legal or financial impediments that would inhibit its ability to meet the assessment area's credit needs.

The last CRA Public Evaluation was dated November 2, 1998 when the bank was rated "Satisfactory".

# Scope of the Evaluation

## Evaluation Period/Products Evaluated

The evaluation period of home mortgage loans was January 1, 1998 to December 31, 2001. The evaluation period generally includes every full calendar year since the prior evaluation. The 1998 lending data was not considered in the previous CRA examination dated November 2, 1998, and is, therefore, included in this examination. The evaluation period of loans to small businesses and farms was January 1, 2000 to December 31, 2001. The evaluation period for community development (CD) loans, the Investment Test and the Service Test, was November 2, 1998 to June 3, 2002.

For the Lending Test, PNB's origination of home mortgage loans, small loans to businesses, small loans to farms and CD loans were evaluated. For the Investment Test, current balances of qualified investments made in prior periods and qualified investments made in the current period were evaluated. For the Service Test, the geographic distribution of branches, the bank's record of opening and closing branches, and retail and CD services were evaluated. Refer to Appendix A for additional information concerning the scope of the examination.

Market share data for home mortgage loans and small loans to businesses and farms were based on 2000 aggregate data, which were the most current data available at the time the bank's CRA performance was evaluated.

## Data Integrity

This evaluation was based on accurate loan, investment and community development services data.

As part of this CRA evaluation, we tested a representative sample of PNB's 1998, 1999, 2000 and 2001 publicly filed information on home mortgage loans and small loans to businesses and farms for accuracy. We found the bank's reporting of home mortgage loans to be reliable. However, significant errors were noted in small loans to businesses/farms data. The bank elected to correct this data for the years 2000 and 2001. We tested a sample of the revised data and determined that it was accurate and reliable. We used the publicly filed home mortgage loan data and the corrected small business/ farm loan data in our analysis.

We reviewed the bank's lists of qualified investments, CD loans, and CD services. We determined that some items did not meet the definition of a qualified investment, CD loan, or CD service. We used corrected lists for our analysis.

## Selection of Areas for Full-Scope Review

PNB had three AAs located in the state of Ohio. Each AA consisted of one or more counties within an MSA. The majority of the bank's lending, service and investments occur in Licking, Fairfield and Franklin counties in the Columbus MSA. It is the most significant AA to the bank in terms of loans (97.6 percent), deposits (99.8 percent) and branches (93 percent). This three county AA (Columbus MSA) received a full scope review.

Within this full scope AA, the majority of the bank's lending activity (90 percent), deposit activity (96 percent) and branch locations (86 percent) were in Licking and Fairfield Counties. The bank has only one office in Franklin County, which is located in a downtown office building in the city of Columbus. Its primary focus is to make loans to small and closely held businesses. Mortgages are made as an accommodation to the bank's business customers. Franklin County represents 252 (82 percent) of the 307 geographies in the full scope AA. Additionally, 97 percent of the low-income geographies and 83 percent of the moderate-income geographies are in Franklin County. However, only ten percent of the loans and four percent of the deposits generated in the full scope AA came from Franklin County. Therefore, because of the extent of its presence and level of operations in Licking and Fairfield Counties, our conclusions were weighted more heavily on the bank's performance in these two counties.

PNB has one office located in downtown Cincinnati, which is in Hamilton County in the Cincinnati PMSA and one office located in downtown Dayton, which is in Montgomery County in the Dayton/Springfield MSA. These two offices were established for the purpose of making loans to small and closely held businesses. Combined, they account for 2.4 percent of the bank's loans and 0.2 percent of the bank's deposits. Both the Hamilton County AA and the Montgomery County AA received a limited scope review. Please refer to the tables and narrative in Appendices A and B for further information.

## **Ratings**

The bank's overall rating was based primarily on the area that received a full-scope review. The Lending Test was weighted more heavily in arriving at the overall rating.

## **Other**

One community contact was made during the examination period. The contact was a local government planning commission. Identified needs included new affordable single-family housing. The contact indicated that the participation by financial institutions in meeting the credit needs of the community has been strong. The contact also stated that opportunities for community development projects were limited and that existing state and federal programs were being utilized. The Park National Bank was specifically mentioned as the leader in financial assistance and personal involvement on boards and committees and was involved in nearly all programs.

## **Fair Lending Review**

An analysis of the most recent HMDA and Small Business lending data, public comments and consumer complaints was performed according to the OCC's risk based fair lending approach. Based on its analysis of the information, the OCC decided that a comprehensive fair lending examination would not need to be conducted in connection with the CRA evaluation this year. The latest comprehensive fair lending exam was performed in October 1998.

# Conclusions with Respect to Performance Tests

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test is rated "High Satisfactory". Based on the full-scope review, the bank's performance in the Columbus MSA AA is good.

### Lending Activity

Refer to Table 1 Lending Volume in appendix C for the facts and data used to evaluate the bank's lending activity.

Lending levels reflect excellent responsiveness by PNB to the credit needs of its full scope AA.

Approximately 98 percent of the bank's total home mortgage loans, small loans to businesses and small loans to farms that were originated over the evaluation period were within the bank's full scope AA. Sixty-eight percent of these loans were home mortgage loans and 32 percent were small loans to businesses and farms. Among the home mortgage loans, approximately 59 percent were for refinance, 30 percent for home purchase and eleven percent for home improvement.

Because of the extent of its presence and level of operations in Licking and Fairfield Counties, our conclusions for the Lending Test, except for multi-family loans, were weighted more heavily on the bank's performance in these two counties. Although the bank opened a second branch in suburban Franklin County in March 2002, loan activity generated from this branch was not included in this examination because our scope extended only to loans made through December 31, 2001.

PNB was one of the top ten banks in terms of deposits in the full scope AA. Based June 30, 2001 FDIC deposit statistics, PNB had a deposit market share of 4.2% and ranked seventh of 44 banks with branches in the full scope AA. The top three banks were large regional banks with a combined deposit market share of 60.4%. In Licking and Fairfield Counties, PNB had a larger deposit market share. It had a deposit market share of 45.9% and ranked first of nine banks with branches in Licking County. It had a deposit market share of 18.4% and ranked second of fifteen banks with branches in Fairfield County.

PNB was one of the top home mortgage lenders in the full scope AA. Based on 2000 aggregate HMDA market share data, PNB had a one percent market share and ranked twenty-fifth out of 406 lenders making home purchase loans, had a market share of three percent and ranked eleventh out of 112 lenders making home improvement loans and had a market share of one percent and ranked nineteenth out of 365 lenders making refinance loans. The higher-ranking lenders were large regional banks and national mortgage lenders.

The bank's market share in Licking and Fairfield Counties was higher. PNB had a market share of five percent and ranked second out of 307 lenders making home purchase loans, had a market share of eleven percent and ranked fourth out of 89 lenders making home improvement loans and had a four percent market share and ranked seventh out of 286 lenders making refinance loans. The higher-ranking lenders were large regional banks or national mortgage lenders.

PNB was one of the top five lenders making small loans to businesses in the full scope AA. PNB had a market share of six percent and ranked fifth out of 66 lenders making small loans to businesses. PNB was the dominant lender making small loans to businesses and farms in Licking and Fairfield counties. Based on 2000 aggregate CRA market share data, PNB had a market share of 24 percent and ranked first of 51 lenders making small loans to businesses.

PNB was the top lender making small loans to farms in the full scope AA. PNB had a market share of 43 percent and ranked first of twelve lenders making small loans to farms. PNB was also the top lender in Licking and Fairfield Counties with a market share of 52 percent and a ranking of first out of seven lenders making small loans to farms.

### **Distribution of Loans by Income Level of the Geography**

The geographic distribution of PNB's home mortgage loans and small loans to businesses and farms reflected good penetration throughout full scope AA.

#### ***Home Mortgage Loans***

Refer to Tables 2, 3, 4 and 5 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations.

The overall geographic distribution of PNB's home mortgage loans reflected good distribution among low-, moderate-, middle- and upper-income geographies in the full scope AA.

The geographic distribution of home purchase loans in the full scope AA was good. The percentage of home purchase loans to low-income geographies was significantly below the percentage of owner-occupied units. Please see the discussion below for more information. The percentage of home purchase loans to moderate-income geographies significantly exceeded the percentage of owner-occupied housing units. The bank's market share in low-income geographies was significantly below the overall market share. The bank's market share in moderate-income geographies significantly exceeded its overall market share.

As previously stated, the majority of the low-income geographies are located in Franklin County. However, the focus of the small Franklin County office is on small businesses. The offices that focus on mortgage lending are located in Licking and Fairfield Counties. The geographic distribution of home purchase loans in low-income geographies in these two counties was excellent. The percentage of home purchase loans to low-income geographies of 0.44 percent exceeded the percentage of owner-occupied housing units (0.16 percent) located in low-income geographies. The bank's market share of 23.53 percent in low-income geographies greatly exceeded its overall market share of 5.05 percent. The bank ranked second out of twenty-seven lenders making home purchase loans in low-income geographies.

The geographic distribution of home improvement loans in the full scope AA was good. The percentage of home improvement loans to low-income geographies was significantly below the percentage of owner-occupied units. Please see the discussion below for more information. The percentage of home improvement loans to moderate-income geographies significantly exceeded the percentage of owner-occupied housing units. The bank did not make any home improvement loans in low-income geographies during 2000 and therefore has no market share for that year. The bank's market share in moderate-income geographies significantly exceeded its overall market share.

As previously stated, the majority of the low-income geographies are located in Franklin County. However, the focus of the small Franklin County office is on small businesses. The offices that focus on home improvement lending are located in Licking and Fairfield Counties. The geographic distribution of home improvement loans in low-income geographies in these two counties was excellent. The percentage of home improvement loans to low-income geographies of 0.76 percent exceeded the percentage of owner-occupied housing units (0.16 percent) located in low-income geographies. Although the bank did not make any home improvement loans in low-income geographies, only four lenders were active in this market, making one loan each during 2000. This performance was weighted more heavily in arriving at our conclusion for home improvement loans.

The geographic distribution of refinance loans was good. The percentage of refinance loans to low-income geographies was significantly below the percentage of owner-occupied units. The percentage of refinance loans to moderate-income geographies was below the percentage of owner-occupied units. Please see the discussion below for more information. The bank's market share in both the low-income and the moderate-income geographies was below its overall market share.

As previously stated, the majority of low- and moderate-income geographies are located in Franklin County. However, the focus of the small Franklin County office is on small businesses. The offices that focus on home mortgage refinance loans are located in Licking and Fairfield Counties. The geographic distribution of refinance loans in low-income geographies in these two counties was excellent and in moderate-income geographies was good. The percentage of refinance loans to low-income geographies of 0.54 percent greatly exceeded the percentage of owner-occupied housing units (0.16 percent) located in low-income geographies. The percentage of refinance loans to moderate-income geographies of 15.42 percent was slightly below the percentage of owner-occupied housing units (16.60 percent) located in moderate-income geographies. The bank's market share in low-income geographies of 40 percent significantly exceeded the bank's overall market share of 4.45 percent. The bank's market share in moderate-income geographies of 4.51 percent slightly exceeded its overall market share of 4.45 percent. The bank ranked third of twenty-seven lenders making refinance loans in low-income geographies and ninth of 160 lenders making refinance loans in moderate-income geographies. This performance was weighted more heavily in arriving at our conclusion for refinance loans.

### ***Multi-Family Loans***

Refer to Table 5 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination of multifamily loans.

The geographic distribution of multi-family loans in the Columbus MSA was excellent. The percentage of multi-family loans in both low-income geographies and in moderate-income geographies significantly exceeded the percentage of multi-family units located in those geographies. The bank has no market share in low-income geographies. The bank's market share in moderate-income geographies significantly exceeded its overall market share.

### ***Small Loans to Businesses***

Refer to Table 6 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination of small loans to businesses.

The geographic distribution of small loans to businesses was excellent. The percentage of small loans to businesses in low-income geographies was near to the percentage of businesses located in low-income geographies. The percentage of small loans to businesses in moderate-income geographies significantly exceeded the percentage of businesses located in moderate-income geographies. The bank's market share in low-income geographies was slightly under the bank's overall market share. The bank's market share in moderate-income geographies significantly exceeded its overall market share. PNB ranked fifth of 39 lenders making small loans to businesses in low-income geographies and third of 46 lenders making small loans to businesses in moderate-income geographies.

### ***Small Loans to Farms***

Refer to Table 7 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination of small loans to farms.

PNB made 79 small loans to farms during the evaluation period. The bank did not originate any small loans to farms in low- or moderate-income geographies. Approximately one percent of the farms are located in low-income geographies and approximately 7.5 percent are located in moderate-income geographies.

## **Lending Gap Analysis**

Reports detailing PNB's lending activity over the evaluation period for home mortgage loans and small loans to businesses and farms were reviewed to identify gaps in the geographic distribution of those loans. No unexplained conspicuous gaps were identified in the assessment area receiving a full scope review.

### ***Inside/Outside Ratio***

A substantial majority (89 percent) of the home mortgage loans, small loans to businesses and small loans to farms that were originated by PNB over the evaluation period were within its AAs. Eighty-eight percent of the bank's home mortgage loans, 91 percent of the small loans to businesses and 93 percent of the small loans to farms were within the bank's AAs. The inside/outside ratio analysis was performed at the bank level and included all bank originations. This performance was positively factored into the overall analysis of the bank's geographic distribution of lending by income level of geography.

## **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of PNB's home mortgage loans and small loans to businesses and farms reflected good distribution among borrowers of different income levels and businesses and farms of different sizes. The borrower distribution of home mortgage loans was excellent. The distribution of small loans to businesses and farms was adequate.

This analysis is based on the bank's lending performance to low- and moderate-income borrowers and to businesses and farms with revenues of \$1 million or less.

### ***Home Mortgage Loans***

Refer to Tables 8, 9, and 10 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The borrower distribution of PNB's home mortgage loans reflected an excellent distribution among low-, moderate-, middle- and upper-income borrowers.

The borrower distribution of home purchase loans was excellent. The percentage of home purchase loans to low-income borrowers was below the percentage of low-income families living in the full scope AA. However, nearly twelve percent of the households are below the poverty level, making it difficult for low-income families to purchase a home. The percentage of home purchase loans to moderate-income borrowers significantly exceeded the percentage of moderate-income families living in the full scope AA. The bank's market share to both low-income and moderate-income borrowers exceeded its overall market share to all borrowers.

The borrower distribution of home improvement loans was excellent. The percentage of home improvement loans to both low-income and to moderate-income borrowers greatly exceeded the percentage of low-income and moderate-income families living in the full scope AA. The bank's market share to both low-income and to moderate-income borrowers significantly exceeded its overall market share. The bank ranked fourth of 47 lenders making home improvement loans to low-income borrowers and ninth of 70 lenders making home improvement loans to moderate-income borrowers.

The borrower distribution of refinance loans was excellent. The percentage of refinance loans to low-income borrowers was significantly below the percentage of low-income families living in the full scope AA. However, nearly twelve percent of the households are below the poverty level, making it difficult for low-income borrowers to own a home that could be refinanced. The percentage of refinance loans to moderate-income borrowers significantly exceeded the percentage of moderate-income families living in the full scope AA. The bank's market share to both low-income borrowers and to moderate-income borrowers exceeded the bank's overall market share. The bank ranked eighteenth of 193 lenders making refinance loans to low-income borrowers and eighteenth of 240 lenders making refinance loans to moderate-income borrowers.

### ***Small Loans to Businesses***

Refer to Table 11 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination of small loans to businesses.

The borrower distribution of small loans to businesses was adequate. The percentage of small loans to businesses with gross revenue of \$1 million or less was significantly less than the percentage of businesses defined as small. Revenue information was not available for approximately 26 percent of the small loans to businesses. Collection of revenue information is optional, however the absence of revenue information affects the bank's true lending performance to small businesses. The bank's market share to businesses with \$1 million or less in gross revenue greatly exceeded its market share to all businesses regardless of revenue. PNB ranked third of 67 lenders making loans to businesses with \$1 million or less in gross revenue.

### ***Small Loans to Farms***

Refer to Table 12 in the appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination of small loans to farms.

The borrower distribution of small loans to farms was adequate. The percentage of small loans to farms with \$1 million or less in gross revenue was significantly less than the percentage of farms defined as small. Revenue information was not available for approximately 33 percent of the small loans to farms. Collection of revenue information is optional, however the absence of revenue information affects the bank's true lending performance to small farms. The bank's market share to farms with \$1 million or less in gross revenue exceeded its market share to all farms regardless of revenue. PNB ranked first of nine lenders making loans to farms with \$1 million or less in gross revenue.

### **Community Development Lending**

Refer to Table 1 *Lending Volume* in appendix C for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. However, Table 5 does not separately list CD loans.

The bank's level of CD lending was good. During the evaluation period, PNB originated 19 CD loans totaling \$1.8 million. Opportunities for CD lending are limited and these loans were responsive to the needs in the AA. Seven loans totaling \$420 thousand were made to six organizations to create, directly or indirectly, housing units for low-income families and twelve loans totaling \$1.3 million were made to eight organizations who support or provide community development services to low- or moderate-income families. For example, PNB made a loan to an organization that provides rental housing to low- and moderate-income individuals and made a series of loans to an organization that provides group home housing for mentally retarded individuals. All of the CD loans were in the full scope AA.

Positive consideration was given to PNB's community development lending in the evaluation of its lending performance.

## **Product Innovation and Flexibility**

The following flexible lending programs were given neutral consideration in the evaluation of the bank's lending performance.

- Ohio Housing Finance Agency-Down Payment Assistance Program (DAP)-This program was developed to provide a forgivable second mortgage loan to assist lower-income homebuyers in qualifying for home financing. The income of a DAP loan recipient cannot exceed 65 percent to 80 percent of the Area Median Income, adjusted for family size. The bank has granted a small number of loans under this new program, but has not maintained separate records of these loans.
- The bank has recently become involved in a relatively new program under the Licking County Housing Rehabilitation Program. This program provides a low-interest loan for the purpose of housing rehabilitation. The program is available to low- and moderate-income families who need to make repairs to their homes. However, it is not exclusively limited to low- or moderate-income families. The bank has granted a small number of loans under this program; however, separate records have not been maintained.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the lending test in Hamilton County in the Cincinnati PMSA and in Montgomery County in the Dayton/Springfield MSA was weaker than the bank's overall performance. These two branches are located in office buildings in downtown Cincinnati and in downtown Dayton. Their focus is on making loans to small and closely held businesses. Together, they account for only 2.4 percent of the total loans made during the evaluation period. Although the percentage of small loans to businesses made by each branch in low-income geographies exceeded the percentage of businesses located in low-income geographies, it was not sufficient to mitigate the weaker performance in other loan categories. This did not impact our overall conclusions for the Lending Test because the bank has a very limited presence in these two AAs. Refer to Tables 1 through 12 in appendix C for the facts and data that support these conclusions.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

Refer to Table 13 in appendix C for the facts and data used to evaluate the bank's level of qualified investments.

The bank's performance under the investment test is rated "Outstanding." This is based on PNB's excellent level of qualified community development investments in the Columbus MSA AA, which received a full-scope review. Total investments during the evaluation period were \$6.8 million.

Grants and contributions directly from PNB and through the Park National Corporation Foundation totaled \$533 thousand during the evaluation period. These investments are well diversified among organizations providing social and housing services to low- and moderate-income individuals.

The following are some of the investments made by PNB during the evaluation period:

PNC consistently invests in Ohio Equity Fund limited partnerships. These funds provide equity capital for investments in low-income housing developments throughout Ohio. The funds are administered by the Ohio Capital Corporation for Housing who construct, rehabilitate, and preserve affordable housing in Ohio. PNB's pro-rata share of unfunded commitments to low-income housing projects equals \$4.9 million. The bank's portion of investments in the eleven partnerships totaled \$2.1 million during the evaluation period. Book balances from prior period investments were \$804 thousand.

PNB purchased the entire \$3.4 million County of Licking, Ohio, Jail Improvement bond issue. The proceeds were used to build the county jail facility in a low-income area in Newark that has been targeted as part of a city government revitalization program. Building the jail near Newark's downtown courthouse facilities is part of a master plan for redevelopment and elimination of blight that will stabilize Newark's near east side.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the investment test in Hamilton County in the Cincinnati PMSA and in Montgomery County in the Dayton/Springfield MSA was weaker than the bank's overall performance. The bank has not made any qualified investments in either AA. This did not impact our overall conclusions for the Investment Test because the bank has a very limited presence in these two AAs.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test is rated "High Satisfactory." This is based on the bank's performance in the Columbus MSA, which received a full-scope review.

### **Retail Banking Services**

Refer to Table 14 in appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

PNB's service delivery systems were accessible to geographies and individuals of different income levels in the AA. The percentage of the bank's branches located in low-income geographies was below the percentage of the population that resides in those areas. As previously stated, the majority of the low-income geographies are located in Franklin County, where the bank has only one office to serve business customers. The percentage of the

bank's branches located in moderate-income geographies is near to the percentage of the population that resides in moderate-income geographies.

The bank's record of opening and closing branches did not adversely affect the accessibility of its delivery systems in low- and moderate-income geographies or to low- and moderate-income individuals throughout the AA. During the evaluation period the bank opened three branches, one was in a middle-income geography and two were in upper-income geographies. The bank did not close any branches during the evaluation period.

PNB's hours and services offered throughout the AA are good. Office hours and services, including the availability of loan officers for all loan products, were comparable among locations regardless of the income level of the geography. PNB has Saturday hours at all locations and Sunday hours at nine locations.

The bank's ATM network offers an effective alternative system for delivering retail banking services in low- and moderate-income geographies and to low- and moderate-income individuals. PNB operates 33 ATMs throughout the AA, six percent of which are located in low-income geographies and 15 percent in moderate-income geographies. These ATM percentages compare to the 31 percent of the population living in low- and moderate-income geographies in the full scope AA.

PNB also offers several other alternative delivery systems. These include BankLink, a telephone banking service; banking services by mail; On-Line banking; and direct deposit services. These delivery services are generally available 24 hours a day, 7 days a week without customer fees. BankLink and On-Line Banking allow customers to check account balances, transfer funds, and make loan payments. No information was available on the effectiveness of these services in reaching low- and moderate-income geographies or individuals. Therefore, we did not place significant weight on these alternative delivery systems when drawing conclusions under the Service Test.

## **Community Development Services**

Given the bank's size and resources, PNB provides a high level of CD services in the AA. This was based primarily on the number of services provided. Also, bank representatives often serve in leadership roles, including executive officers, Board members, members of finance and loan review committees, and overseers of fund-raising activities. Organizations assisted were involved in a variety of CD activities, including affordable housing, CD services targeted to low- and moderate-income individuals, and economic development activities targeted to small business. Eighty bank employees (approximately 16 percent of total bank employees) contributed CD services to 43 organizations.

The following are examples of community development services PNB representatives provided in the AA during the evaluation period.

- A bank officer served in a leadership role and provided financial services for an organization that delivers social services for low-income children between the ages of nine and fifteen.

- Five bank officers provide loan review and loan approval assistance to an organization that provides flexible financing for small businesses.
- Two bank officers serve on the loan review committee in an organization that provides low interest loans to businesses that create jobs in accordance with the amount of the loan.
- Two employees provide financial and educational services to an organization that addresses the housing needs of homeless families. The organization encourages participants to develop the skills necessary to obtain and retain permanent housing through job training and job placement.
- Three employees assist with budgeting and financial matters for an organization that provides educational services for low-income families.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the service test in the Cincinnati AA was not inconsistent with the bank's overall "High Satisfactory" performance under the service test. The bank's performance in the Dayton AA was weaker than the overall performance of the bank, due to its limited presence in that market. This did not impact our overall conclusions for the Service Test because the bank has a very limited presence in these two AAs.

## Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

<b>Time Period Reviewed</b>	Mortgage Lending (excludes CD Loans): 01/01/1998 to 12/31/2001 Small Loans to Businesses/Farms: 01/01/2000 to 12/31/2001 Investment and Service Tests and CD Loans: 11/02/1998 to 06/03/2002	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
The Park National Bank (PNB) Newark, Ohio	Home mortgage loans, small loans to businesses and farms, community development loans, investments, services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
Park National Corporation (PNC)	Parent bank holding company	Investments and contributions allocated to The Park National Bank
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Columbus MSA - Licking, Fairfield and Franklin Counties in Columbus MS #1840	Full Scope	97.6% total loans, 99.8% total deposits and 93% of branches.
Hamilton County in Cincinnati PMSA #1640	Limited Scope	One branch in downtown Cincinnati, 1.8% total loans and 0.16% total deposits.
Montgomery County in Dayton/Springfield MSA #2000	Limited Scope	One branch in downtown Dayton, 0.6% total loans and 0.03% total deposits.

# Appendix B: Market Profiles for Full-Scope Areas

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## Table of Contents

### Market Profiles for Areas Receiving Full-Scope Reviews

Columbus MSA

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## Columbus MSA (3 counties)

Demographic Information for Full Scope Area: Columbus MSA (3 counties)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	307	11.73	25.08	41.04	21.17	0.98
Population by Geography	1,193,198	10.12	21.30	40.39	28.15	0.04
Owner-Occupied Housing by Geography	269,293	4.24	17.30	44.44	34.02	0.00
Business by Geography	52,254	8.44	16.48	38.09	35.03	1.96
Farms by Geography	1,806	1.16	7.53	61.41	29.79	0.11
Family Distribution by Income Level	308,883	19.34	17.91	24.50	38.24	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	115,072	15.82	31.27	40.69	12.23	0.00
Median Family Income HUD Adjusted Median Family Income for 2001 Households Below Poverty Level		36,792 59,900 11.83%	Median Housing Value Unemployment Rate (1990 US Census)	73,057 2.82%		

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 1990 US Census and 2001 HUD updated MFI

PNB's Columbus MSA assessment area consists of Licking, Fairfield, and Franklin Counties. This encompasses the eastern portion of the Columbus MSA, which also includes three additional counties to the south, west, and north of Columbus. PNB has 28 offices located throughout the AA. As of December 31, 2001, 99.8 percent of PNB's deposits were derived from this AA. Over the evaluation period, 88 percent of PNB's home mortgage loans and 91 percent of its small loans to businesses and farms were derived from the AA. PNB also maintains a small presence in two additional AAs, Montgomery County in the Dayton/Springfield MSA, and Hamilton County in the Cincinnati PMSA.

PNB's deposits in the Columbus AA total approximately \$906 million based on FDIC market share data as of June 30, 2001. This equates to a 4.21 percent deposit market share, which ranks PNB as the seventh largest deposit taking institution in the AA. The leading deposit taking institution has a 34.73 percent market share. The Columbus market is dominated by three financial institutions with a much stronger branch presence and a combined market share of 60.40 percent. In the Licking County area where PNB is headquartered, the bank has a 45.90 percent market share and is the largest deposit taking institution in the county. In Fairfield County PNB has an 18.38 percent market share and ranks second. Primary competitors are Bank One, N.A. and Huntington National Bank in Franklin County; Unizan Bank, N.A. and Bank One, N.A. in Licking County; and Fairfield Federal Savings and Loan Association in Fairfield County.

The bank has 28 locations including the main office. Ten are in Fairfield County and 14 in Licking County. Two offices are maintained in Franklin County and two are outside of the Columbus MSA in Dayton and Cincinnati, Ohio.

PNB also serves the AA with 33 ATMs. Twenty of the ATMs are located at branches and 13 are off site. All deposit and loan products are available at each branch. The bank also offers a

twenty-four hour telephone and on-line computer banking service. The bank's primary business focus is residential mortgage lending with a strong presence in the small business lending market.

The local economy is service and trade oriented and is moderate to strong. The unemployment level for the three county AA was 2.82 percent in 1999, compared to the state unemployment rate of 4.7 percent and U.S. unemployment rate of 6.2 percent. Employment opportunities are good. Major employers are Abbott Laboratories/Ross Products; American Electric Power Co, and Ashland Chemical Co. in Franklin County; Anomatic Corporation and Arvin Meritor, Inc. in Licking County; Cyril-Scott Co. and Fairfield Medical Center in Fairfield County.

A local government-planning commissioner identified new affordable single-family housing as a need in the community. He indicated that the participation by financial institutions in meeting the credit needs of the community has been strong. He also stated that opportunities for community development projects were limited and that existing state and federal programs were being utilized. Park National Bank was specifically mentioned as the leader in financial assistance and personal involvement on boards and committees and was involved in nearly all programs.

## Appendix C: Tables of Performance Data

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### Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Tables without data are not included in this PE.

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption, such as “Statewide/Regional” or “Out of Assessment Area,” in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table

also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm.

Market share information is presented based on the most recent aggregate market data available.

**Table 13. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item with the appropriate caption, such as "Statewide/Regional" or "Out of Assessment Area," in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column.

**Table 14. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Institution ID: 10000009179 PARK NATIONAL BANK

### Table 1. Lending Volume

LENDING VOLUME		Geography: PARK				Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 2001						
MA/Assessment Area (2001):	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Columbus MSA (3 counties)	97.59	4,973	424,565	2,302	231,135	79	5,125	19	1,767	7,373	662,592	99.81
<b>Limited Review:</b>												
Cincinnati PMSA – Hamilton County	1.81	54	4,210	83	13,702	0	0	0	0	137	17,912	0.16
Dayton MSA - Montgomery County	0.60	14	993	31	2,937	0	0	0	0	45	3,930	0.03

\* Loan Data as of December 31, 2001. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is From November 02, 1998 to June 03, 2002.

\*\*\* Deposit Data as of June 30, 2001. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

BANK

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: PARK					Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 2001					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Columbus MSA (3 counties)	1,469	98.06	4.24	0.75	17.30	21.92	44.44	61.20	34.02	16.13	1.00	0.25	1.54	1.47	0.38	
<b>Limited Review:</b>																
Cincinnati PMSA - Hamilton County	25	1.67	3.32	28.00	11.52	32.00	45.11	16.00	40.05	24.00	0.01	0.00	0.00	0.00	0.02	
Dayton MSA - Montgomery County	4	0.27	5.16	0.00	13.91	0.00	51.68	75.00	29.24	25.00	0.02	0.00	0.00	0.03	0.00	

\* Based on 2000 Peer Mortgage Data: Central Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information.

BANK

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT			Geography: PARK				Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 2001					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Columbus MSA (3 counties)	541	100.00	4.24	0.74	17.30	24.95	44.44	66.91	34.02	7.39	2.96	0.00	3.31	4.16	1.09	
<b>Limited Review:</b>																
Cincinnati PMSA - Hamilton County	0	0.00	3.32	0.00	11.52	0.00	45.11	0.00	40.05	0.00	0.00	0.00	0.00	0.00	0.00	
Dayton MSA - Montgomery County	0	0.00	5.16	0.00	13.91	0.00	51.68	0.00	29.24	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2000 Peer Mortgage Data: Central Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

BANK

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE 2001			Geography: PARK				Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31,					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Columbus MSA (3 counties)	2,952	98.70	4.24	0.75	17.30	15.04	44.44	64.63	34.02	19.58	1.10	0.37	0.89	1.64	0.60	
<b>Limited Review:</b>																
Cincinnati PMSA - Hamilton County	29	0.97	3.32	34.48	11.52	24.14	45.11	17.24	40.05	24.14	0.00	0.00	0.00	0.00	0.00	
Dayton MSA - Montgomery County	10	0.33	5.16	0.00	13.91	0.00	51.68	60.00	29.24	40.00	0.02	0.00	0.00	0.04	0.00	

\* Based on 2000 Peer Mortgage Data: Central Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

BANK

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY			Geography: PARK				Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 2001					Market Share (%) by Geography				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
Columbus MSA (3 counties)	11	100.00	17.12	27.27	25.30	36.36	35.58	27.27	22.00	9.09	0.57	0.00	1.96	0.00	0.00	
<b>Limited Review:</b>																
Dayton MSA - Montgomery County	0	0.00	13.08	0.00	20.76	0.00	44.57	0.00	21.59	0.00	0.00	0.00	0.00	0.00	0.00	
Cincinnati PMSA - Hamilton County	0	0.00	22.98	0.00	21.34	0.00	39.25	0.00	16.42	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2000 Peer Mortgage Data: Central Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 1990 Census information.

BANK

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES 2001			Geography: PARK								Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31,				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Columbus MSA (3 counties)	2,302	95.28	8.44	8.21	16.48	24.85	38.09	50.17	35.03	16.59	5.77	5.51	10.08	7.71	2.74
<b>Limited Review:</b>															
Cincinnati PMSA - Hamilton County	83	3.44	9.90	12.05	11.66	6.02	41.95	28.92	35.49	46.99	0.28	0.18	0.21	0.23	0.34
Dayton MSA - Montgomery County	31	1.28	11.69	45.16	16.37	6.45	42.77	45.16	29.13	3.23	0.23	1.39	0.09	0.20	0.00

\* Based on 2000 Peer Small Business Data: US&PR.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2001).

BANK

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS			Geography: PARK				Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2001					Market Share (%) by Geography				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overa ll	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans						
<b>Full Review:</b>																
Columbus MSA (3 counties)	79	100.00	1.16	0.00	7.53	0.00	61.41	87.34	29.79	12.66	43.37	0.00	0.00	48.48	26.67	
<b>Limited Review:</b>																
Cincinnati PMSA - Hamilton County	0	0.00	4.37	0.00	8.75	0.00	44.95	0.00	41.63	0.00	0.00	0.00	0.00	0.00	0.00	
Dayton MSA - Montgomery County	0	0.00	1.30	0.00	8.52	0.00	67.04	0.00	23.15	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2000 Peer Small Business Data: US&PR.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2001).

BANK

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE			Geography: PARK				Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 2001					Market Share				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families*	% BANK Loans****	% Families**	% BANK Loans****						
<b>Full Review:</b>																
Columbus MSA (3 counties)	1,469	98.06	19.34	13.71	17.91	28.34	24.50	26.56	38.24	31.39	1.35	1.79	1.46	1.16	1.30	
<b>Limited Review:</b>																
Cincinnati PMSA - Hamilton County	25	1.67	21.05	4.00	16.45	32.00	22.31	16.00	40.20	48.00	0.01	0.00	0.00	0.00	0.04	
Dayton MSA - Montgomery County	4	0.27	20.02	0.00	17.75	33.33	23.67	66.67	38.56	0.00	0.01	0.00	0.00	0.03	0.00	

\* Based on 2000 Peer Mortgage Data: Central Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 4.14% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

BANK

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: PARK					Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 2001					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Families**	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****						
<b>Full Review:</b>																
Columbus MSA (3 counties)	541	100.00	19.34	29.49	17.91	33.27	24.50	21.55	38.24	15.69	2.98	7.41	4.08	1.98	1.34	
<b>Limited Review:</b>																
Cincinnati PMSA - Hamilton County	0	0.00	21.05	0.00	16.45	0.00	22.31	0.00	40.20	0.00	0.00	0.00	0.00	0.00	0.00	
Dayton MSA - Montgomery County	0	0.00	20.02	0.00	17.75	0.00	23.67	0.00	38.56	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2000 Peer Mortgage Data: Central Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 2.22% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

BANK

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE 2001		Geography: PARK						Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31,							
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>				
	#	% of Total <sup>**</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Columbus MSA (3 counties)	2,952	98.70	19.34	10.30	17.91	23.83	24.50	26.95	38.24	38.92	1.30	1.44	1.25	1.12	1.44
<b>Limited Review:</b>															
Cincinnati PMSA - Hamilton County	29	0.97	21.05	6.90	16.45	13.79	22.31	27.59	40.20	51.72	0.00	0.00	0.00	0.00	0.00
Dayton MSA - Montgomery County	10	0.33	20.02	11.11	17.75	22.22	23.67	0.00	38.56	66.67	0.01	0.00	0.04	0.00	0.00

<sup>\*</sup> Based on 2000 Peer Mortgage Data: Central Region.

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 4.31% of loans originated and purchased by BANK.

<sup>\*\*\*</sup> Percentage of Families is based on the 1990 Census information.

<sup>\*\*\*\*</sup> Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

BANK

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: PARK			Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2001		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*		
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less	
<b>Full Review:</b>										
Columbus MSA (3 counties)	2,302	95.28	85.90	44.18	74.15	16.33	9.51	5.77	12.03	
<b>Limited Review:</b>										
Cincinnati PMSA - Hamilton County	83	3.44	84.88	53.01	61.45	18.07	20.48	0.28	0.78	
Dayton MSA - Montgomery County	31	1.28	86.01	58.06	64.52	25.81	9.68	0.23	0.63	

\* Based on 2000 Peer Small Business Data: US&PR.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2001).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 25.99% of small loans to businesses originated and purchased by the bank.

BANK

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: PARK			Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2001				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Columbus MSA (3 counties)	79	100.00	92.36	60.76	82.28	10.13	7.59	43.37	48.44
<b>Limited Review:</b>									
Cincinnati PMSA - Hamilton County	0	0.00	88.39	0.00	0.00	0.00	0.00	0.00	0.00
Dayton MSA - Montgomery County	0	0.00	93.70	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2000 Peer Small Business Data: US&PR.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2001).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 32.91% of small loans to farms originated and purchased by the bank.

BANK

**Table 13. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: PARK				Evaluation Period: November 2, 1998 TO June 30, 2002			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Columbus MSA (3 counties)	9	804	34	5,978	43	6,782	100.00	10	4,941
<b>Limited Review:</b>									
Cincinnati PMSA - Hamilton County	0	0	0	0	0	0	0.00	0	0
Dayton MSA - Montgomery County	0	0	0	0	0	0	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

BANK

## Table 14. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS TO June 30, 2002								Geography: PARK				Evaluation Period: November 2, 1998					
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Columbus MSA (3 counties)	99.81	26	93	3.85	19.23	61.54	15.38	3	0	0	0	1	2	10.12	21.30	40.39	28.15
<b>Limited Review:</b>																	
Cincinnati PMSA - Hamilton County	0.16	1	4	100.00	0.00	0.00	0.00	0	0	0	0	0	0	10.60	15.63	41.89	31.88
Dayton MSA - Montgomery County	0.03	1	4	100.00	0.00	0.00	0.00	1	0	1	0	0	0	8.83	18.62	47.90	24.65

